

SB 6004 - DIGEST

Finds that intangible wealth, such as stocks and bonds, represents approximately one-fourth to one-third of all property wealth with a taxable situs in this state.

Finds that the present system of taxing all tangible property with limited exceptions and of exempting all intangible property from taxation is regressive, in that such a system inures to the benefit of the more affluent residents and businesses in Washington who have sufficient wealth to make substantial investments in or own substantial intangible property.

Finds that while the transfer, sale, or use of tangible personal property is subject to various excise taxes in the state of Washington, as a general rule, no comparable taxes are imposed on intangible property.

Finds that persons of limited wealth with limited income may own intangible property and for this reason relatively small holdings of intangible property should be exempt from any tax on the ownership of intangible property.

Declares the purpose of this act is to subject intangible personal property to a tax on the privilege of ownership of the property, subject to the exemptions contained in this chapter for the limited intangible holdings of individuals, in order to provide a more equitable and fair system of taxation of both tangible and intangible wealth in this state.